



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill #	HB0611	Title:	Revise laws related to telecommunications access services
Primary Sponsor:	Jacobson, Hal	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact:

Proposed law expands and clarifies existing law in Title 53, chapter 19, part 3, MCA, and amends section 2-15-2212, MCA, regarding collection of the fee revenue for Telecommunications Devices for the Deaf (TDD). In particular, proposed law amends 53-19-311, MCA to *clarify* that *all* telecommunications service providers are required to assess and collect 10 cents per line per month from subscribers, and remit collections to the Department of Revenue (DOR). This includes providers of telecommunications services using newer technologies such as prepaid wireless and voice over internet protocol (VOIP). The proposed law will have no effect on the state general fund, DOR revenues, or expenditures. All TDD fee revenue is distributed into the state special revenue account established in 53-19-310, MCA.

FISCAL ANALYSIS

Assumptions:

1. Under current and proposed law, the fee is \$0.10 per line per month (collected from the customer by the provider), less \$0.00075 per line per month to the provider for collection costs.
2. The Department of Revenue projects that the proposed law will increase TDD filings from providers due to its clarification of current law that requires providers of prepaid wireless, and voice over internet

protocol (VOIP) to collect the fee from subscribers. However, the DOR does not project any additional revenue from new filers of the TDD fee. Any new revenue will be deposited into the state special revenue account for telecommunications services for persons with disabilities.

3. The proposed law is not projected to increase administrative costs for the DOR.
4. New sections in the proposed law regarding the TDD fee provide for penalties and interest, appeal process, and refund provisions. Along with an update of the audit provision, these new provisions make the TDD fee more consistent with other taxes and fees administered by DOR.
5. The proposed law is effective on passage and approval.

Sponsor's Initials

Date

Budget Director's Initials

Date